

## WEATHER FORECAST

Fair and continued cold to-day; to-morrow fair and not quite so cold.  
Highest temperature yesterday, 34; lowest, 15.  
Detailed weather reports will be found on Editorial page.

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## SHWAB \$260,000 BILL SET RIGHT BY STEEL CO.'S HEAD

Eugene G. Grace Promptly  
Knocks Bottom Out of  
Voucher Scandal at Ship  
Board Inquiry.

EXPLAINS PAYMENT

Amount Paid in Regular  
Way by Bethlehem Co. for  
Expenditures Made in  
Its Business.

PHOTOS OF THE RECORDS

\$100,000 Charged to Ship-  
building Subsidiary and Not  
to Cost of Ships, as Testi-  
fied To by Abadie.

Eugene G. Grace, president of the Bethlehem Steel Corporation, took the witness stand at 9:30 o'clock last night in the Walsh Congressional investigation into the transactions of the United States Shipping Board, and within ten minutes thereafter the bottom had dropped out of the Charles M. Schwab \$260,000 voucher scandal, which for four days has made the friends of the steel master increasingly indignant.

As Mr. Grace and Mr. Schwab said from the first, there was a voucher which, in some sort, was like the one described. The basic fallacy lay in the assumption that \$100,000, or any other part of the sum named, ever was charged against the United States Emergency Fleet Corporation's ship construction account. Paul D. Cravath, who, as counsel, sat beside Mr. Grace during the greater part of yesterday's session of the Walsh inquiry, seemed to summarize the general feeling after Mr. Grace had finished his statement when he said: "This whole affair has been much ado about nothing."

Mr. Grace explained that the payment of \$260,000—the actual amount of the celebrated voucher—had been made to Mr. Schwab in accordance with the regular method pursued in reimbursing Mr. Schwab for expenditures made by him and his office organization in connection with the Bethlehem company's business.

Photos of Vouchers Shown.

In distributing this particular expense item among the various departments of the business, \$100,000 of it was charged to the Bethlehem Shipbuilding Corporation, the Bethlehem subsidiary concern in charge of ship building, and not to the cost of ships, as Col. Abadie had testified he had been informed by employees of the certified public accounting firm of Verley Morse & Co.

As a matter of fact, Mr. Grace testified, the Bethlehem company never claimed this \$100,000 as an item of cost against the Government ships, the amount actually having been charged on the company's books to profit and loss accounts. The Bethlehem president submitted to the committee and to representatives of the press photostatic copies of the various vouchers and the other documents concerned in the controversy which showed the bookkeeping history of this item from beginning to end.

1. Photographic copy of the original \$260,543.53 Bethlehem Steel Company C. M. Schwab special expense voucher.  
2. Photographic copy of the Bethlehem Steel Company's journal entry voucher transferring \$100,000 of the \$260,543.53 to the Bethlehem Shipbuilding Corporation.  
3. Photographic copy of the Bethlehem Shipbuilding Corporation journal entry voucher charging this item of \$100,000 to general expense accounts.  
4. Photographic copy of the Bethlehem Shipbuilding Corporation's statement of general expense items for November, 1918, entered on the general books, but not included in the cost bill against the Emergency Fleet Corporation contracts. In this list appears the \$100,000 item.

Statement Clears It Up.

From these exhibits, friends of Mr. Schwab and Mr. Grace contend, it is clearly established that no part of the \$100,000 in question ever was charged against the Emergency Fleet contracts or ever was sent up by the Bethlehem company as a charge against those contracts. In the statement which Mr. Grace delivered to the chairman of the committee in typed form, together with the photostatic exhibits, he said:

"This voucher of the Bethlehem Steel Company, dated November 30, 1918, as appears from the annexed photograph of the voucher, it is in favor of C. M. Schwab, and is for general expenses. Therefore, in ordinary practice a portion of the payment in question would be charged to Bethlehem Shipbuilding Corporation, Ltd., the Bethlehem subsidiary operating the shipbuilding department."

"Accordingly, a Bethlehem Steel Company journal entry voucher (photographic copy annexed) was prepared charging \$100,000 of the expenditure of

## Naval Barracks to Go From Riverside Drive

Special Despatch to THE NEW YORK HERALD.

New York Herald Bureau, Washington, D. C., Jan. 24.

Secretary of the Navy Daniels announced to-day that the Naval Barracks at Riverside Drive and Ninety-sixth street, New York, will be vacated as quickly as possible. There has been considerable criticism of the presence of the barracks at this point.

Mr. Daniels said it would be impossible for the Navy Department to vacate and remove the barracks at once, but action will be taken at the earliest possible moment.

## FIGHTS TWO COPS IN DRUG ARREST

Assistant Engineer of Steamship Subdued in Clubhouse After Struggle.

SMUGGLING IS ALLEGED

Charles Mills Charged With Selling 7 1-2 Ounces of Heroin for \$240.

A month's investigation of the smuggling of drugs from the West Indies into New York city was followed last night by the arrest of Charles Mills, 35, an assistant engineer employed by the Porto Rican Steamship Company, in a room in the 152 Riverside Drive. According to Dr. Carlton Simon, Special Deputy Police Commissioner in charge of the work of the narcotic squad, who directed the investigation, Mills submitted to arrest only after he had tried to choke two detectives and had been threatened with death.

The prisoner is known as a strong man, according to statements made at Police Headquarters by detectives who took part in his capture, and he was in a fair way of fighting himself free from the grips of two of them when a third jammed a revolver into his back and gave him three seconds to quit.

Dr. Simon's story of the arrest and the investigation of the alleged smuggling went back a month to the time when he first was told that ships lying up at New York piers frequently were used as carriers of drugs.

Dr. Simon said his men got a description of some of the smugglers and last Saturday morning, after he had been informed a ship due that forenoon was the hiding place for \$20,000 of heroin, some of them went to a North River pier disguised as longshoremen. They went as caretakers of a lighter and had it tied up at the pier-head.

Saturday night, said the Deputy Commissioner, he led reinforcements to the North River pier, and under Federal supervision searched the vessel. No drugs were found, but he said his men learned who smuggled them ashore and where some of the illicit cargo was taken.

Dr. Simon said that he sent Detective Irving Higgins to the Riverside Drive clubhouse early last night. He had provided him with \$200. The number of each bill given to Higgins was recorded. Higgins went inside the club, followed by Detective Herbert Moog, while Sergeant J. J. Moody and other detectives waited in the street.

Higgins said Dr. Simon, was taken to a room in the rear of the club by Mills. While Moog was waiting in the hallway for a signal to call Moody and enter the room with him as a witness Higgins went through with a transaction in which he charged Mills sold seven and a half ounces of heroin to Higgins for \$240. Higgins pocketed the drug, it was said, and then exhibited his badge, remarking:

"It's all up with you, Mills; I'm a cop."

Thereupon, according to the story as it was related at Police Headquarters, Mills leaped at Higgins. Higgins was on the floor and was about to collapse when Higgins succeeded in calling Moog, who was still in the hall.

Moog and Moody rushed into the room and grappled with Mills. Moody was forced to get out his blackjack and use it, and finally subduing his gun for it before the engineer gave up the fight.

In a package in the room where Mills was arrested, Dr. Simon said, there was found between \$5,000 and \$10,000 worth of drugs, the value depending on quality.

ONE \$5,000,000 INCOME  
LED RETURNS FOR 1918

New Statistics Show Total Tax of Corporations.

WASHINGTON, Jan. 24.—One return of income of \$5,000,000 was filed in the calendar year 1918, according to completed statistics of income for that year, issued to-night by the Bureau of Internal Revenue.

Two returns were filed of income from \$1,000,000 to \$5,000,000, four of income from \$500,000 to \$1,000,000, eleven from \$200,000 to \$500,000, sixteen from \$100,000 to \$200,000, and thirty-three from \$10,000 to \$100,000.

Corporations, exclusive of personal service companies, reporting during 1918 numbered 317,579, of which 202,061 reported a total net income of \$5,381,511,315, which yielded income taxes of \$653,198,483 and was profits and excess profits taxes of \$2,505,965,939, a total tax of \$3,158,764,422.

BISHOP M'DONNELL ILL.

Specialists Summoned to Attend Prelate in Florida.

ROCKLEDGE, Fla., Jan. 24.—Specialists have been summoned to attend the Right Rev. Charles McDonnell, Catholic Bishop of Brooklyn, who is here for the winter. It was learned to-day.

His illness was described as kidney trouble and his condition was said to be acute.

## INTERMEDIARY MAKES FRESH AND URGENT DEMAND FOR POWER

Tells Senator Lockwood

Alternative Is New Committee and Counsel.

LEGISLATURE MUST ACT

Declares Housing Investigation Must Be Carried Into Financial Field.

ASSAILS REALTY BOARD

Ascribes Opposition to Insurance and Financial Interests in Directorate.

In a letter addressed to Senator Charles C. Lockwood, chairman of the Lockwood committee, in relation to the fight of that body for increased powers with which to carry its housing investigation into financial fields, Samuel Untermyer flatly declared yesterday that it was up to the Legislature either to grant the extension of powers asked for or appoint a new committee and new counsel to carry on the investigation.

He also charged that the opposition of the New York City Real Estate Board to the committee's request for continuance is directly due to the influence of well known insurance men and other prominent figures of the financial world who are identified with it. He declared that the whole matter of the success or failure of the Lockwood committee's public investigation now rests with the Legislature and that denial of the powers asked for will prevent it from accomplishing what it originally set out to do.

In what would seem to be an ultimatum hurled at the legislators, Mr. Untermyer said: "If after the experience the Legislature has had with this committee and its counsel and the ample evidence of the integrity with which they have been conducting the investigation, the Legislature should appoint another committee and other counsel whom it can trust, but we ought not to proceed further with shades upon us that may destroy our usefulness."

Cannot Devote Life to Job.

"I have, as you know, given freely of my time and money and am willing to continue to do so in the interest of this important inquiry, but I cannot spend my life in this business. It is a choice between limited powers that may be questioned in the courts at every turn and broad powers that we are expected to use with justice, judgment and restraint."

Of the action of the City Real Estate Board Mr. Untermyer wrote: "In view of the fact that the New York State Real Estate Board, in session at Albany, which includes an influential part of the membership of the New York City board, passed resolutions highly commending the work of the committee and earnestly urging the extension of the powers asked, this sudden change of front has occasioned much surprise and comment in the ranks of the uninitiated."

To the explanation is simple. While the committee was engaged in exposing blacklisting labor leaders who were betraying the members of their unions and crooked contractors and building material dealers who were engaged in illegal combinations to boost the price of building, the enthusiasm and enunciation of these gentlemen of the Board, the Board's support of the committee knew no bounds. The committee was then the greatest thing that ever happened."

"Within the last week the committee has prepared and sent to the owners of the principal office and loft buildings in the city of New York a comprehensive list of questions for them to answer by return of mail. These questions relate to the balance sheets of the operations of their buildings and particularly for lists of leases recently made by them and the rents reserved in these leases as compared with rents of previous years."

Big Owners Become Uneasy.

"The obvious purpose of this information is to ascertain to what extent these gentlemen have been profiteering in rents. So long as the inquiry was confined to the small owners of tenements and to residential properties the committee was not given cause for concern. But since it appears that they may be affected the tide is turned."

A reference to the 1917 Manual of the New York City Real Estate Board just issued will throw additional light on the reason for this change of heart. The influence and domination of the big financial interests in the Real Estate Board is there disclosed by the lists of officers, governors and members. With such men on the board as our esteemed friend, William Steuben, of the Metropolitan Life Insurance Company, and men of his type constituting the Board of Governors, one need not look much further to realize that the financial interests are a potent factor in the deliberations of this board and that whatever course the financial interests decide to pursue would be reflected in the action of the board."

Speaking further of the opposition to the proposed investigation of real estate investments of financial institutions, Mr. Untermyer wrote: "I have given careful further reflection to the subject matter of the extension of the powers of the committee and have become confirmed in my opinion that the committee should get the power in the comprehensive form in which it is asked it will be useless to enter upon this, the most important phase of the investigation and one upon which our constructive legislation is to be based."

Another of the John T. Hettrick combines exposed by the Lockwood committee appeared in the Criminal Term of the Supreme Court yesterday to plead to

Continued on Sixth Page.

Furs and Furniture stolen. With also to dispose of Art Goods, Typewriters, etc. See "Telephone Directory of Home and Business Needs," next to last page to-day.—Ad.

## Conference Is Unanimous on Mine Nationalization

LONDON, Jan. 24.—A motion

calling upon the mine workers to redouble their agitation for nationalization of the mines was unanimously adopted at the International Miners Conference to-day. Representatives of the French and Belgian organizations proposed the motion, which was supported by the German organization.

## SENATE VOTES TO CONTROL PACKERS

Federal Regulation Measure Is

Passed by a Margin of

Thirteen.

LINEUP IS NON-PARTISAN

Bill Would Create Live Stock

Commission of Three Ap-

pointed by President.

WASHINGTON, Jan. 24.—By a margin of 13 votes the Senate late to-day passed the long fought bill for Federal regulation of the meat packers and other agencies of the live stock industry.

The vote was 46 to 33 and the legislation, the centre of bitter controversy for a decade, now goes to the House with its supporters hopeful of final action during the present session of Congress. A special rule to expedite House action is to be sought.

Partisan division in the Senate was lacking, but most Democrats supported the bill, while a majority of the Republicans opposed it. The party lineup was 18 Republicans and 28 Democrats for passage, with 23 Republicans and 10 Democrats against. The roll call follows:

Republicans for—Borah, Capper, Curtis, Gooding, Gronna, Johnson (Cal.), Kellogg, Kenyon, La Follette, Lenroot, McNary, Nelson, Norris, Foindecker, Spencer, Sterling, Townsend and Willis. Total Republicans for, 18.

Democrats for—Ashurst, Culberson, Fletcher, Glass, Gore, Harris, Harrison, Hitchcock, Johnson (S. D.), Jones (N. M.), Kendrick, Kirby, McKellar, Myers, Overman, Owen, Phelan, Pittman, Pomeroy, Ransdell, Reed, Robinson, Shepard, Smith (Ga.), Swanson, Trammell, Walsh (Mass.) and Walsh (Mont.). Total Democrats for, 28. Total for, 46.

Republicans against—Ball, Brandegee, Colt, Dillingham, Edge, Elkins, Fernald, France, Hale, Hayes, Knox, Lodge, McCumber, McLean, Moses, New, Page, Phipps, Sherman, Smoot, Sutherland, Tamm, Tamm, and Warren. Total Republicans against, 23.

Democrats against—Beckham, Dial, Heflin, Kinn, Shields, Smith (Ark.), Smith (Md.), Stanley, Underwood and Williams. Total Democrats against, 10.

Total against, 33.

All fundamental features of the legislation presented by the Agriculture Committee as a substitute for the original Kenyon-Kendrick bill were retained by the Senate.

The bill would create a Federal commission of three members appointed by the President to have jurisdiction over the livestock industry.

This commission would have power to issue orders, collect and disseminate information, have access to packers' books and have general supervision over packers, stock yards, commission men and similar agencies. Review of the livestock commission's orders would be provided by the bill, which also prescribes rules for conduct of the packing business and stipulations against monopoly, unfair trade practices, engaging in unrelated industries and other similar acts.

"Voluntary licensing of packers also is provided, an attempt by Senator Pomeroy to eliminate this feature having been defeated, 43 to 34.

Two important amendments were adopted by the Senate before passing the bill. One, by Senator Wadsworth, would include horses, mules and goats within the operations of the bill, although horses and mule markets would be excluded from the proposed Federal supervision.

Another amendment, by Senator Pittman, would exempt all persons whose chief business is live stock growing or production of agricultural products from the bill's provisions. The author declared that the legislation should not extend to small stock growers who operate their own feeding yards.

U. S. SENDS SHARP NOTE  
TO MEXICO ON OIL RIGHTS

Invasion of Petroleum Concessions Alleged.

MEXICO CITY, Jan. 24.—The United States Government, through George T. Sumner, the charge d'affaires here, has presented an emphatic note to Mexico regarding the alleged invasion of American petroleum concessions and requesting an immediate investigation with a view to proper adjustment, according to semi-official information.

The Foreign Office in its usual press statement to-night did not mention the note, but said that the delivery was lacking at the American Embassy.

\$500,000 FIRE IN NEW HAVEN.

Department Store Burns Early To-day in Chapel Street.

NEW HAVEN, Jan. 25.—The entire city fire apparatus was called out early this morning to fight a spectacular fire which swept through the Mendel & Freedman department store, in Chapel Street. The fire was discovered just before midnight and apparently originated in the ground floor. It spread rapidly and a general alarm was sent in soon after midnight.

At 1:15 the flames were not yet under control.

Fire department officials estimated that the loss would reach \$500,000.

PINCH HART, N. C.—St. Valentine's Eve. Tourist Jan. 24. Don't miss it. Thru Pullman, Penn. 2:05 P. M. daily.—Ad.

## GERMANY IS RICH, ECONOMIST FINDS; MUST PAY IN FULL

Prof. Blondel of France

Says Plea of Poverty Is

Pure Evasion.

HAS ACTUAL FIGURES

Report Based on Extended

Investigation in Great

Industrial Centres.

HUGE DIVIDENDS SHOWN

Plants Which Paid 6 Per

Cent. Before War Now Pay

10 to 30 Per Cent.

Special Cable to THE NEW YORK HERALD, Copyright, 1921, by THE NEW YORK HERALD. New York Herald Bureau, Paris, Jan. 24.

France's theory that Germany's professions of poverty are unjustified and are merely attempts to evade the payments of reparations is stoutly supported by Prof. Georges Blondel, head of the school of economics and political science of the College de France, who has just returned to Paris after making the most exhaustive personal investigation in German industrial centres.

He has just made a report to the French Government which becomes highly significant in view of the approaching conference of allied preachers. The investigation of this widely known economist bears out all recent reports of the remarkable strides made by German business and the plans her industrial captains have for reconquering the world's markets by ingenious cartel and dumping systems.

Would Capture World Trade.

Prof. Blondel wrote many books on Germany before the war and in his present investigations undoubtedly delved deeper than any outsider into Germany's real economic condition. His conclusions, imparted to-day to the correspondent for THE NEW YORK HERALD here, may be summarized thus:

1. Germany's wealth was little diminished by the war, but this is being camouflaged by excessive increases in capitalization, quadrupled dividend payments and other financial devices.

2. Germany can pay fully France's claim for damages, but will not do so unless the Allies exert the utmost firmness as Germany's modern democracy is still clinging to the Hohenzollern tradition which is the only logical consequence of force.

3. Industrially, Germany is recuperating at a phenomenal rate of speed, this being facilitated by exchange favoring exportations as well as by extending the system of super-trusts, which will embrace every line of industrial production.

4. Germany's economic manoeuvres are all directed toward one aim—namely, to exceed her pre-war economic prosperity before she is willing to deliver a single mark to aid France in the rehabilitation of her devastated regions.

Prof. Blondel's assertions should carry weight here, inasmuch as during the last London Exposition, he conducted a searching investigation into American industries from the middle West to the Atlantic coast, while lecturing before universities, chambers of commerce and big financial groups on the dominant power of European economic life.

"Germany is the world's centre of camouflage, although the Germans have developed the habit of misrepresentation with the naïveté of sincerity," Prof. Blondel said. "They are trying to make the world believe they are ruined, but a few months' visit in the interior of Germany will convince students that this is impossible. Steinmann, Bucher estimated Germany's wealth before the war at 350,000,000,000 marks. This still exists. Although a small portion may have left the country since the armistice, this has been overcome by industrial development. But the danger lies in failing to distinguish between public and private finances."

Public Finances Weak.

"Undoubtedly the situation of the public treasury is very bad. Germany paid 20,000,000,000 marks for war expenses, as compared with 4 per cent. of the total which exceeds 16,000,000,000 marks, and although the ordinary budget has been balanced, there is a deficit of 67,500,000 marks in the extraordinary budget, which nothing but a levy on capital is likely to stabilize."

"But the Government is showing a remarkable tenderness and tolerance for industries controlled by men such as Stinnes, Thyssen, Mannesmann, Voelger and Kirchhoff, whose great enterprises are paying out 10 to 30 per cent, and in some cases more, in dividends before the war. The war seldom exceeded 5 or 6 per cent."

"For instance, Mannesmann's factories in Essen paid 30 per cent. last year, as compared with 4 per cent. previously, while 30 per cent. in dividends prevailed also in the following industries, despite German contradictions:

"The Rhineland Steel Mills, the Duisburg-Durand Steel Works, the Dresden glass factories and the Faber Penel Company, which is proposing to pay at least 30 and possibly 35 per cent."

"The Saxony machine works in Chemnitz, the largest in Germany, led the list to-day in dividends, paying 40 per cent. before the war, and 35 per cent. since."

"The Mulheim textile industry is paying 35 per cent. the Bavarian cloth mills at Augsburg 18 per cent., the shoe factories at Offenbach 12 per cent."

Continued on Third Page.

"FLORIDA SPECIAL: DE LUXE TRAIN. Observation & Club Cars, no extra fare. Atlantic Coast Line. Office 1224 Broadway.—Ad.

## MILLER URGES UNIFICATION OF CITY TRANSIT SYSTEMS, WITH ONE ADEQUATE FARE

German Consortium Outbids All Rivals To Make Locomotives for Spanish Roads

Special Cable to THE NEW YORK HERALD, Copyright, 1921, by THE NEW YORK HERALD. New York Herald Bureau, Paris, Jan. 24.

THE Germans through the consortium system seem on the point of getting the contract for 250 locomotives for Spanish railways away from Belgian, American and English bidders. The Belgian bid was 295,000 pesetas each, but they could only promise fifty engines in the time fixed and could not furnish the required financial guarantees, whereas the Germans asked 325,000 pesetas each, but promised 210 locomotives in ten months, offering to put up 10 per cent. of the contract price as a guarantee and also to await all payments until the entire order was completed and then to accept payment either in marks or pesetas.

The English and American terms are not given, but were set aside when the German terms were disclosed. The publication of the terms caused a tremendous surprise in Spain, where the Germans have been representing their state as pitiful.

Gov. Miller sent a special message to the Legislature to-night recommending the creation of a new Public Service Commission of three members for New York city with complete power to revise fares on all lines and reorganize the numerous traction routes in the metropolitan district into one unified system.

The course prescribed by the Governor opens the way for higher fares if it is proved after searching investigation that the traction lines cannot be sustained with the existing 5 cent rate.

Dealing fearlessly with this whole complex problem, the Governor declared that New York's transit facilities must be lifted out of politics and high finance if the city is to be saved from the drifting policy which is carrying it toward disaster.

Unification into one system must lead eventually, the Governor declares, to municipal ownership of all transit lines in the city. New York is already embarked on municipal ownership, he states, and must carry through the policy to its logical finish.

The city's \$200,000,000 already invested in subway bonds must be made self-sustaining out of the cost of the operation of those lines, the Governor says. This can mean only one thing, traction experts in the Legislature said, for the bonds can be made self-supporting only by an increase in fare.

Would Free Millions of Capital.

If these bonds were released from the debt limit the city would have \$200,000,000 of capital for further transit development, schools or other purposes. The man who rides in the subway is paying the bill either directly or indirectly, the Governor points out, present, whether he is a taxpayer or not. The Governor is helping pay the interest on the \$200,000,000 bonds, which are not self-sustaining.

The Governor would lodge in the hands of the new Public Service Commission more sweeping powers than ever have been given to any body dealing with the city's transit question. All functions now resting with the Public Service Commission and the Board of Estimate in relation to transit would be consolidated in the commission.

To this commission would be delegated authority to prescribe temporary rates, pending investigation to determine exactly what fare must be charged to make lines self supporting. The Governor says the Legislature should authorize the commission to prescribe safeguards for the protection of the public, pending rate adjustment. It urged further that power be vested in the commission, regardless of local contracts or existing contracts. Essential changes in the transit law and transit contracts would have to be made in order to give the commission the power demanded for it by the Governor.

The Governor said that the existing public service laws be revised and amended and that subway contracts Nos. 3 and 4 be revised. These contracts provide a five cent fare, and the Governor says, lie on the threshold of any solution of the problem. He does not attempt to prescribe wherein the contracts shall be changed.

Next End Popular District.

New York city's transit systems are disintegrating as a result of the drifting policy pursued, the Governor states. The present situation has grown out of crooked financing and political manipulation, which naturally have led to popular distrust. Those evils must be corrected and the public be assured it is not asked to pay earnings in watered stock. The whole business must be put on a safe and sane policy if capital is to be attracted.

The existing subway system already is overtaxed to the point of saturation, the Governor argues, and new routes must be re-conducted under the single unit system, operated on a single fare plan. The elevated, surface lines and buses eventually should be merely auxiliary to the subway.

Nowhere in his message does the Governor indicate that the unified system he prescribes should be operated by the municipality. His omission of this subject leads to the belief in the Legislature that his scheme would be to have private operation of the publicly owned system. There is no use in longer looking to the Board of Estimate for solution, the Governor states, inasmuch as that body is unable now to function and dispose of the matters before it.

Jurisdiction over all other public utilities in New York and the rest of the State should be conferred on the upstate

Continued